

---

# 2003 ARMY MODERNIZATION PLAN

## EXECUTIVE SUMMARY

### Engaged Today—Transforming for Tomorrow

The United States Army today remains actively and forcefully engaged throughout the world and at home in service of the Nation's interests. Over 180,000 Soldiers are deployed in more than 80 countries, with many at the forefront of the Global War on Terrorism as part of Operation Enduring Freedom and others prepared for any potential contingency at home or abroad. The broad array of Army forces—from Special Operations Forces (Rangers, Special Forces, Special Operations Aviation, Psychological Operations, and Civil Affairs units) to conventional forces from active duty, National Guard and Reserve units—remain "on point" to meet any challenges and fulfill all missions that may be assigned by our national leaders. Maintaining the warfighting readiness of this superb force remains the enduring priority and commitment for the Army.

Concurrent with this commitment to readiness, the Army continues to make significant progress to transform itself into a force that is even more capable of fulfilling future missions in a rapidly changing world. The Army Vision, announced in 1999, of a more responsive and capable force for tomorrow has already been translated into measurable results, with even more progress anticipated in the coming months and years. The underlying foundation for the Army Vision remains firmly based on the three components of People, Readiness, and Transformation, and the Army's budget priorities continue to balance competing requirements within this comprehensive framework. The Army's portion of the Fiscal Year 2004 (FY04) President's Budget strives

to achieve such balance by supporting the imperatives of the new defense strategy and aligning Army Transformation efforts with comprehensive national objectives.

The *2003 Army Modernization Plan* describes the Army's Modernization and Investment Strategies, which are the concrete means of implementing the Army's strategic vision of a transformed force for the future while still preserving sufficient readiness for the challenges of the present. The ultimate purpose is a fully capable force that will deliver future readiness at every point on the possible range of military operations. Balanced Modernization continues as the overall strategy for weighing current requirements versus the need for transforming to an even more ready and relevant force tomorrow. To free up the valuable resources to support Transformation, the Army has reduced investments in the current force to more limited modernization and recapitalization efforts. Today's Army still remains fully capable of performing all missions assigned, but it also is investing in creating the force for tomorrow that will meet the demands that lie ahead.

### Modernization and Investment in Support of Army Transformation

Building and fielding combat-capable units that provide the President, the Secretary of Defense, and regional Combatant Commanders the capabilities for sustained land dominance across the full range of military operations and spectrum of conflict—the Army's most unique and important core competency—remains the ultimate goal of Army modernization efforts, for both the near

---

and far terms. To accomplish this goal, the Army continues to employ two fundamental enabling processes—Unit Set Fielding and Software Blocking—both of which work together to produce combat-capable units in the most efficient manner and shortest period of time. These processes are also aided by extensive efforts in the realm of modeling and simulations and through robust analyses and studies to support the most cost-effective and productive outcome and one that balances the key factors of cost, technology, and warfighting needs. The overall Army Modernization Strategy is comprised of the following three fundamental components:

- **Objective Force:** Accelerating fielding of the future force and, specifically, a key enabler—the Future Combat Systems (FCS)—by increased funding of critical science and technology (S&T) investments. Almost 98 percent of the total \$10.76 billion S&T funding for FY04-09 is specifically targeted for the future force, representing an increase of \$1.09 billion since last year. Additionally, the Army has advanced the acquisition strategy by selecting a Lead Systems Integrator in March 2002 and is focused on a critical Milestone B decision in spring 2003 that will be an essential precursor to initial fielding of FCS in FY08.
- **Interim Force:** Acting to remedy a capability gap in the Army's ability to fulfill immediate operational requirements by rapid fielding of six Stryker Brigade Combat Teams (SBCTs) equipped with a family of new Stryker Armored Vehicles and significantly enhanced by incorporation of advanced information technologies to improve situational awareness. Fielding of SBCTs is well under way, and the first unit will become operationally capable in summer 2003.

- **Legacy Force:** Preserving the essential warfighting capabilities and readiness of current Army units through limited modernization and recapitalization efforts. Today's Army must remain ready to fulfill all missions throughout the Transformation process and represents the underlying guarantor of security until the process is complete.

To implement this Modernization Strategy, the Army has continued to make hard choices and additional changes in its investment plans and resourcing efforts. During the FY04-09 budget planning process, the Army has adapted its overall plan by further reductions in near-term efforts in order to support achievement of longer-term goals. These reductions are made in the context of careful balancing of immediate operational needs, the demands of homeland security, and the imperatives of needed change through Army Transformation.

## **Irreversible Momentum for the Future**

During the past several years, the Army, with the active support of Congress and the Department of Defense (DoD), has made demonstrated progress in initiating an ambitious process of revolutionary change through Army Transformation. The fruits of this endeavor are already being realized and, through the implementation of the FY04 President's Budget, the Army will achieve an irreversible momentum toward the common goal of a future force ready and able to meet all challenges. The Army remains fully committed to the task ahead, while standing ready and "on point" in the ongoing Global War on Terrorism and the associated missions needed to guarantee our Nation's security.